


62-D-60

Canada
Statistics
Cost of living index numbers.
1913-42.

3 1761 11633862 5



Digitized by the Internet Archive
in 2023 with funding from
University of Toronto



<https://archive.org/details/31761116338625>

62-D-60

NON-PERIODIC REPTS FILE 'C'
DEPT. OF POLITICAL SCIENCE
UNIVERSITY OF TORONTO

Published by Authority of the Hon. James A. MacKINNON, M.P.,
Minister of Trade and Commerce.

Government
Publications

CANADA

DEPARTMENT OF TRADE AND COMMERCE

DOMINION BUREAU OF STATISTICS

COST OF LIVING INDEX NUMBERS

FOR

CANADA

1913 - 1942



OTTAWA
1943

Price 25 cents

INDEXES OF THE COST OF LIVING

November 1942

The figures following will bring up-to-date the table on page 7 in your copy of "Description of the Official Cost of Living Index" prepared by the Statistics Branch, Research Section:

(1935-39 = 100)

	<u>Index</u> <u>November 1942</u>	<u>% Increase</u> <u>over August 1939</u>
<u>Total Cost of Living</u>	118.6	17.7
Food	132.4	33.3
Rent	111.3	7.2
Fuel and Lighting	112.8	13.9
Clothing	120.1	20.0
Home Furnishings & Services	117.8	16.7
Miscellaneous	107.1	5.7



H. King
Statistics Branch, Research Section.

INDEXES OF THE COST OF LIVING

February 1943

The figures following replace the table which was formerly issued as a monthly supplement to page 7 of your copy of "Description of the Official Cost of Living Index", prepared by the Statistics Branch, Research Section.

(1935-39 = 100)

	January, 1943 Index	February, 1943 Index	February, 1943	
			Increase Over Aug. 1939 %	Increase Over Oct. 1941 %
<u>Total Cost of Living</u>	117.1	116.9	16.0	1.2
Food	127.3	126.7	27.6	2.8
Rent	111.3	111.3	7.2	.1
Fuel and Lighting	112.8	112.7	13.8	.5
Clothing	120.2	120.1	20.0	.4
Home Furnishings & Services	117.8	117.8	16.7	.4
Miscellaneous	107.5	107.5	6.1	.9

March 12, 1943.

Statistics Branch, Research Section.

INDEXES OF THE COST OF LIVINGJanuary 1943

The figures following replace the table which was formerly issued as a monthly supplement to page 7 of your copy of "Description of the Official Cost of Living Index", prepared by the Statistics Branch, Research Section.

(1935-39 = 100)

	December, 1942 Index	January, 1943		
		Index	Increase Over Aug. 1939 %	Increase Over Oct. 1941 %
<u>Total Cost of Living</u>	118.8	117.1	16.2	1.4
Food	132.8	127.3	28.2	3.3
Rent	111.3	111.3	7.2	.1
Fuel and Lighting	112.8	112.8	13.9	.6
Clothing	120.2	120.2	20.1	.5
Home Furnishings & Services	117.8	117.8	16.7	.4
Miscellaneous	107.2	107.5	6.1	.9

February 16, 1943

Statistics Branch, Research Section.

Published by Authority of the HON. JAMES A. MACKINNON, M.P.,
Minister of Trade and Commerce
DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH

Dominion Statistician:
Chief, Internal Trade Branch:
Prices Statistician:

S. A. CUDMORE, M.A. (Oxon.) F.S.S., F.R.S.C.
Herbert Marshall, B.A., F.S.S.
H. F. Greenway, M.A.

COST-OF-LIVING INDEX NUMBERS FOR CANADA, 1913-1942

This bulletin provides a complete historical record of monthly Dominion cost-of-living index numbers from 1913 to 1942 on the base 1923-1925=100. It also contains brief commentaries on cost-of-living changes during the war of 1914-1918 and the present war. This publication will replace the cost-of-living section which ordinarily would have been included in the printed annual report Prices and Price Indices for 1941 and 1942. The printed report has been discontinued temporarily as an economy measure.

REVIEW OF COST-OF-LIVING MOVEMENTS, 1913-1942
(1935-1939=100)

Living costs prior to the outbreak of war in 1914 were substantially lower than they have been at any subsequent period to the end of 1942. This fact has been overlooked by some commentators making comparisons of actual commodity prices during this war and for the corresponding period of the last war. Although price increases were generally much greater during the first three years of the last war than in the three years ending December, 1939, some of them at the end of 1917 remained lower than corresponding prices at the end of 1942. In 1914, however, these same prices were relatively much lower than in August, 1939.

The Dominion cost-of-living index in August, 1914 was 79.6. It varied but little from this level until the end of 1915, but from then until July, 1920 an almost unbroken rise in prices occurred which reached a peak level of 180.6. The ensuing recession was also very sharp, carrying the index down to an average of 120.4 for 1922. This index which represented the post-war stabilization level was more than 50 p.c. higher than the pre-war level. The period of stable prices continued until 1930, when a further severe decline began. Even at the lowest point reached, however, 173.3 in May and June, 1931, the index remained well above 1914 levels. Subsequent recovery was irregular; the highest point reached was 103.1 in August, 1936, and the August, 1939 level of 100.8 was more than 20 points above the August, 1914 index. There was an almost immediate upturn of about 3 points after the outbreak of war, but, as occurred in the last war, no evidence of a sharp sustained advance could be observed for more than a year after hostilities commenced. Such a rise appeared to be developing in 1941, but it was effectively checked by the imposition of a general price 'ceiling' in December, 1941. After advancing 7.6 points in 1941 to 118.8 for December, the index mounted by only 3.0 points in 1942. The corresponding rise in 1917 was over 14 points.

COMPARATIVE COST-OF-LIVING MOVEMENTS, 1914-1917 AND 1939-1942

Movements in living costs during the first two years of both wars offer a marked parallel. In both cases there was an immediate advance of approximately 3 points* followed by a period in which no significant change occurred. In the first war this continued until the fall of 1915, while in 1940, a gradual advance commenced in March. However, the net increase of 3.4 points from January, 1915 to January, 1916 compared closely with the 4.4 point advance between January, 1940 to January, 1941. In 1916 and 1941, the rate of increase accelerated during the latter half of the year, and by November, the 1916 index on a pre-war base was 116.1 as compared with 115.4 for November, 1941 on the base August 1923=100. From then on, the parallel was broken. In 1917, living costs continued sharply upward, while in 1942 the increase

* In 1914, the wartime increase dates from July instead of August as in the present war. The cost-of-living index rose from 78.2 in July to 80.9 in October, 1941 (1935-1939=100).

was small, although upward adjustments in 'ceiling' prices for beef and potatoes resulted in an advance of about 2 points in the second half of the year. This was almost balanced by a decline in January, 1942, due to government action to reduce prices for milk, tea, coffee and oranges by means of subsidies and an import duty reduction on oranges. On a pre-war base, the January, 1942 cost-of-living index of 118.8 compared with a January, 1914 index of 100.0.

CONTRIBUTION OF BUDGET GROUPS TO COST-OF-LIVING INCREASES, AUGUST, 1939-DECEMBER, 1942

Table 1 shows the contribution of each budget group to the increase in points recorded in the cost-of-living index from August, 1939 to December, 1942. The net effect of the movements of each group upon the total index between August, 1939 and December, 1942 is shown in the first column. In the other columns the total change is broken down into three shorter periods. The second column shows changes between August, 1939 and March, 1941, when the economy was in process of reorganization to a war basis, and pressure on retail prices was yet to become heavy. The third column lists the effects on the index of the strong upward surge of prices between March and November, 1941, when it seemed that the inflationary spiral was commencing as it had in the earlier period of 1918. The fourth column gives group contributions to index changes from November, 1941, the month preceding the imposition of the price 'ceiling', to December, 1942.

Table 1. Contribution of Budget Groups to Changes in the Cost-of-Living Index, August, 1939-December, 1942.

(Changes are expressed in points added to the Total Index)

Budget Group	Aug. 1939-Dec. 1942 40 Months	Aug. 1939-Mar. 1941 19 Months	Mar. 1941-Nov. 1941 8 Months	Nov. 1941-Dec. 1942 13 Months
Foods	+ 10.45	+ 3.04	+ 5.11	+ 2.30
Dairy Products	+ 2.36	+ 1.67	+ 0.28	+ 0.41
Eggs	+ 1.52	- 0.25	+ 1.55	+ 0.22
Meats and Fish	+ 3.75	+ 0.65	+ 2.17	+ 0.93
Cereals	+ 0.43	+ 0.38	+ 0.03	+ 0.02
Dry Groceries	+ 1.09	+ 0.56	+ 0.46	+ 0.07
Vegetables	+ 0.28	- 0.09	+ 0.09	+ 0.28
Fruits	+ 1.02	+ 0.12	+ 0.53	+ 0.37
Fuel and Lighting	+ 0.84	+ 0.60	+ 0.23	+ 0.01
Rentals	+ 1.36	+ 0.70	+ 0.63	+ 0.03
Clothing	+ 2.41	+ 1.68	+ 0.71	+ 0.02
Homefurnishings and Services	+ 1.50	+ 0.95	+ 0.57	- 0.02
Miscellaneous	+ 1.34	+ 0.33	+ 0.85	+ 0.16
Index Increase in Points	+17.9	+ 7.3	+ 8.1	+ 2.5

The outstanding feature of this statement is the predominant and steadily increasing influence of foods on the movements of the index. Over the whole wartime period, this group has contributed 10.45 points or 58.4 p.c. of the total increase. Its share in the August, 1939-March, 1941 period was 3.04 points, 31.6 p.c. of the total. From March, 1941 to November, 1941, it caused 53.1 p.c. of a total rise of 8.1 points; and between November, 1941 and December, 1942, of a 2.5 point increase, foods were responsible for 92.0 p.c.

Meats and fish have made the largest contribution to the change arising from foods in every period except that from August, 1939 to March, 1941. Then, 56.3 p.c. of food's share in the change in the index was derived from dairy products. In that period, meats and fish contributed 21.6 p.c. of food's share; from March to November, 1941, 42.5 p.c.; from November, 1941 to December, 1942, 40.4 p.c.; and over the whole forty months, 36.9 p.c. Between August, 1939 and March, 1941, dry groceries contributed 18.4 p.c. of food's 3.04 point increase, in response to coffee, tea and sugar price changes. The only increases recorded by food sub-groups were in the August, 1939-March, 1941 period, when eggs and vegetables each brought the index down a fraction of a point.

Other budget groups have all advanced since August, 1939, but only clothing has added to the index by more than two points. Clothing added 2.41 points, or 13.6 p.c. of the index's increase from August, 1939 to December, 1942. Of the increase ascribed to clothing, 1.68 points were added between August, 1939 and March, 1941. The fuel and light contribution of 0.84 points, constitute the smallest group addition to the index's 17.9 point rise.

PERCENTAGE CHANGES IN INDIVIDUAL COMMODITIES AND SERVICES, AUGUST, 1939-DECEMBER, 1942

Although the total cost-of-living index advanced by only 17.9 p.c. from August, 1939 to December, 1942, a substantial number of index items have increased by much more than this amount. Conversely, a considerable number of important living requirements have changed very little. Public reaction to the index undoubtedly has been influenced by the fact that some of the largest increases have occurred for items which are purchased frequently, while other important items that produce only occasional expenditures have risen very little. The following foods, for example, have advanced by more than 50 p.c.: butter, cheese, stewing beef, veal, finnan haddie, salt, lard, tea, and oranges. On the other hand, 26 of the 37 items in the miscellaneous index, either remained unchanged or increased by less than 10 p.c. This group represents 23 p.c. of the total index budget, and includes items such as hospital fees, life insurance premiums, doctors' fees, etc., which are paid infrequently and have changed very little since 1939.

Only in the food and homefurnishings groups did a majority of items advance by more than 20 p.c. Rent, fuel and lighting, and miscellaneous items forming 46 p.c. of the index budget included only four items recording an increase of more than 20 p.c. However, 54 of the 44 food items advanced by more than 30 p.c. and 12 rose by more than 50 p.c.

Table 2. Distribution of Percentage Changes in Prices of Individual Items in the Cost-of-Living Index, August, 1939-January, 1942

	Total	Food	Rent	Fuel	Clothing	Home-furnishings and Services	Miscellaneous
Decreases	4	3	-	-	-	-	1
No Change	6	1	-	-	-	-	5
<u>Increases</u>							
0.1 - 4.9 p.c.	25	4	-	-	-	4	17
5.0 - 9.9 "	15	-	2	2	4	3	4
10.0 - 14.9 "	19	4	-	1	6	3	5
15.0 - 19.9 "	16	3	-	-	9	2	3
20.0 - 24.9 "	14	-	-	-	3	8	3
25.0 - 29.9 "	12	5	-	1	3	3	-
30.0 - 34.9 "	5	2	-	-	2	1	-
35.0 - 39.9 "	7	6	-	-	-	1	-
40.0 - 44.9 "	4	4	-	-	-	-	-
45.0 - 49.9 "	-	-	-	-	-	-	-
50.0 +	12	12	-	-	-	-	-
TOTAL	129*	44	3	3	27	24	37

* 10 items added to the index after August, 1940.

PERCENTAGE CHANGES IN INDIVIDUAL COMMODITIES AND SERVICES, JANUARY, 1943-DECEMBER, 1944

The effectiveness of price control during this period is indicated by the fact that only 10 of 129 items increased 25 p.c. or more. Many 12 items without exception, had been the subject of authorized treatment, or were specifically exempt from "ceiling" price regulations.

They included certain cuts of beef, veal, lamb, finnan haddie, butter, potatoes, and lemons. From the statement following, it may be noted that 43 items were unchanged during this period, and 33 declined in price by small amounts. Among the 63 increases, 33 were for less than 2 p.c.

Table 3. Distribution of Percentage Changes in Prices of Individual Items in the Cost-of-Living Index, November, 1941-December, 1942

	Total	Food	Rent	Fuel	Clothing	Home-furnishings and Services	Miscellaneous
<u>Decreases</u>							
0.1 - 1.9 p.c.	23	4	-	1	7	8	3
2.0 - 3.9 "	6	2	-	-	2	2	-
4.0 - 5.9 "	2	1	-	-	1	-	-
6.0 - 7.9 "	-	-	-	-	-	-	-
8.0 - 9.9 "	-	-	-	-	-	-	-
10.0 + "	2	2	-	-	-	-	-
No Change	43	9	-	2	6	11	15
<u>Increases</u>							
0.1 - 1.9 p.c.	33	5	2	1	8	3	14
2.0 - 3.9 "	10	4	-	-	2	1	3
4.0 - 5.9 "	5	3	-	-	-	-	2
6.0 - 7.9 "	1	1	-	-	-	-	-
8.0 - 9.9 "	4	3	-	-	1	-	-
10.0 + "	10	10	-	-	-	-	-
TOTAL	139	44	2	4	27	25	37

Table 4. Cost-of-Living Index Numbers*, Canada, 1913-1942
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Sundries Index
1913	79.1	89.1	77.1	74.3	87.4	69.6
1914 - January	79.9	93.3	75.9	72.1	87.4	69.6
February	80.1	93.7	75.9	72.1	87.4	69.6
March	79.6	92.3	75.9	72.1	87.4	69.6
April	78.9	90.0	75.9	72.1	87.4	69.6
May	78.5	89.0	74.9	72.1	87.4	69.6
June	78.3	88.1	74.8	72.1	87.4	69.6
July	78.6	88.9	74.9	72.1	88.3	69.6
August	79.6	92.0	75.0	72.1	88.3	69.6
September ...	80.2	93.6	74.6	72.1	89.2	69.6
October	80.9	95.9	74.8	72.1	89.2	69.6
November	80.8	95.4	74.8	72.1	90.1	69.6
December	80.8	95.2	74.8	72.1	90.1	69.6
Year	79.7	92.2	75.1	72.1	88.3	69.6
1915 - January	80.7	95.6	74.5	69.8	91.8	69.6
February	80.8	95.5	74.5	69.8	93.5	69.6
March	80.4	93.9	74.4	69.8	94.4	69.6
April	80.1	92.8	74.4	69.8	94.4	69.6
May	80.3	93.2	73.5	69.8	95.3	69.6
June	79.9	92.2	73.1	69.8	95.3	69.6
July	80.2	92.6	73.5	69.8	96.2	69.6
August	80.4	92.2	73.5	69.8	97.1	70.3
September ...	80.4	92.0	73.7	69.8	97.9	70.3
October	81.0	92.9	73.7	69.8	100.5	70.3
November	82.0	95.3	73.8	69.8	100.5	71.0
December	82.4	96.6	73.8	69.8	100.5	71.0
Year	80.7	93.7	73.8	69.8	96.4	70.0
1916 - January	83.4	98.3	73.8	70.6	101.4	71.7
February	84.0	99.6	74.1	70.6	102.3	71.7
March	84.2	98.9	73.9	70.6	104.1	72.4
April	84.4	98.9	73.9	70.6	105.8	72.4
May	84.9	99.1	74.1	70.6	107.5	73.1
June	85.6	100.7	74.5	70.6	109.3	73.1
July	85.8	99.4	74.7	70.6	110.2	74.5
August	87.1	102.1	75.1	70.6	111.9	75.2
September ...	88.8	106.1	76.1	70.6	113.7	75.9
October	90.2	109.7	76.7	70.6	115.4	75.9
November	92.4	115.3	77.9	70.6	117.2	76.6
December	93.8	118.9	79.7	70.6	118.9	76.6
Year	87.0	103.9	75.4	70.6	109.8	74.1

* Indexes prior to 1936 have been recalculated, resulting in minor revisions from figures previously published.

Table 4. Cost-of-Living Index Numbers, Canada, 1913-1942 - Cont'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Sundries Index
1917 - January	95.7	120.6	82.2	75.8	120.7	76.6
February	96.6	123.2	82.3	75.8	121.5	76.6
March	98.2	125.3	83.3	75.8	123.3	78.0
April	98.9	126.5	81.5	75.8	125.0	79.4
May	102.9	138.6	82.2	75.8	126.8	79.4
June	103.8	139.2	83.3	75.8	128.5	80.7
July	103.4	136.3	83.9	75.8	130.3	81.5
August	103.8	136.6	84.7	75.8	131.1	82.1
September ...	104.4	137.1	84.9	75.8	132.9	82.8
October	105.6	139.2	85.4	75.8	134.7	83.5
November	107.3	143.3	85.6	75.8	136.4	84.2
December	108.1	145.1	86.2	75.8	138.1	84.2
Year	102.4	134.3	83.8	75.8	129.1	80.7
1918 - January	109.2	146.8	88.6	75.8	139.9	84.9
February	110.1	148.0	88.7	75.8	142.5	85.6
March	111.2	149.5	89.6	76.5	144.3	86.3
April	111.7	148.2	89.5	78.0	146.0	87.7
May	113.2	149.8	89.6	79.5	147.8	89.1
June	114.7	151.5	90.0	81.0	149.5	90.5
July	116.1	154.2	91.4	81.7	151.3	91.2
August	119.0	159.9	93.9	83.2	154.8	91.9
September ...	118.8	158.4	95.2	81.7	156.5	92.6
October	120.2	160.9	96.9	82.5	158.3	93.3
November	120.9	160.9	98.2	82.5	160.0	94.7
December	121.8	161.9	99.9	82.5	161.7	95.4
Year	115.6	154.2	92.6	80.0	151.0	90.3
1919 - January	123.0	164.2	101.2	82.5	163.5	96.1
February	122.1	160.0	99.7	82.5	165.3	96.8
March	121.2	155.5	98.7	83.2	167.0	97.5
April	122.7	159.0	98.5	83.2	168.7	98.2
May	124.4	161.5	98.1	86.2	170.5	98.9
June	125.8	163.2	98.7	88.4	172.3	99.5
July	126.6	163.6	98.6	89.1	174.9	100.3
August	129.8	171.5	101.8	89.9	176.6	100.9
September ...	129.9	169.7	102.2	90.6	178.4	101.6
October	130.2	168.8	101.7	90.6	180.1	103.0
November	130.7	168.6	104.0	90.6	181.9	103.7
December	132.3	172.3	104.4	90.6	183.6	104.4
Year	126.5	164.8	100.7	87.3	173.6	100.0

Table 4. Cost-of-Living Index Numbers, Canada, 1913-1942 - Cont'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Sundries Index
1920 - January	136.8	180.6	106.7	90.6	192.4	106.5
February	139.3	184.1	108.1	92.1	201.1	106.5
March	142.5	190.3	109.4	92.9	209.9	106.5
April	144.3	188.8	111.8	96.6	218.6	107.9
May	148.2	196.8	112.2	101.8	221.2	107.9
June	150.0	201.7	117.1	101.8	221.2	107.9
July	150.6	199.8	120.2	102.5	219.5	111.4
August	149.1	194.9	122.9	102.5	218.6	111.4
September ...	147.7	189.5	128.6	104.0	215.1	111.4
October	147.4	188.5	133.2	104.7	211.6	111.4
November	145.3	182.0	137.4	105.5	208.1	111.4
December	143.0	176.3	135.1	105.5	204.6	111.4
Year	145.4	189.5	120.2	100.1	211.9	109.3
1921 - January	141.7	172.6	136.7	105.5	202.9	111.4
February	139.5	168.6	134.7	106.2	194.1	111.4
March	135.4	158.4	131.7	107.0	187.1	111.4
April	132.6	152.1	129.3	107.7	180.1	111.4
May	130.7	148.0	126.9	109.2	173.1	111.4
June	126.5	134.9	125.5	110.7	170.5	111.4
July	125.5	132.6	125.9	110.7	167.9	111.4
August	126.5	137.3	125.9	110.7	164.4	111.4
September ...	127.3	141.4	125.3	110.7	160.9	111.4
October	125.6	137.1	126.2	111.4	155.6	111.4
November	123.6	132.3	124.7	111.4	152.1	111.4
December	123.6	131.0	124.5	111.4	155.6	111.4
Year	129.9	145.5	128.1	109.4	172.0	111.4
1922 - January	123.5	131.4	123.9	111.4	153.9	111.4
February	121.7	126.5	122.9	112.2	151.3	111.4
March	121.2	125.7	121.8	112.9	148.6	111.4
April	119.9	121.8	120.9	113.7	146.9	111.4
May	119.4	121.0	120.2	113.7	145.1	111.4
June	119.2	120.5	119.9	114.4	144.3	111.4
July	119.4	121.3	119.5	114.4	143.4	111.4
August	120.2	123.9	120.0	114.4	143.4	111.4
September ...	119.9	121.6	125.1	115.1	143.4	111.4
October	119.8	121.1	127.6	115.1	142.5	111.4
November	119.9	121.6	126.5	115.1	142.5	111.4
December	120.1	122.7	124.2	115.1	142.5	111.4
Year	120.4	123.3	122.7	114.0	145.7	111.4

Table 4. Cost-of-Living Index Numbers, Canada, 1913-1942 - Cont'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Sundries Index
1923 - January	120.7	124.3	123.6	115.1	143.4	111.4
February	120.8	124.1	124.4	115.9	143.4	111.4
March	122.1	127.8	124.4	116.6	143.4	111.4
April	121.0	124.2	124.4	116.6	143.4	111.4
May	120.1	121.6	120.7	117.4	143.4	111.4
June	119.8	121.0	119.4	117.4	143.4	111.4
July	119.4	120.6	119.6	117.4	144.3	110.0
August	120.7	124.6	120.1	117.4	144.3	110.0
September ...	120.4	123.5	122.3	117.4	144.3	110.0
October	121.2	125.6	123.3	117.4	144.3	110.0
November	121.4	126.2	124.1	117.4	144.3	110.0
December	121.5	126.7	124.0	117.4	144.3	110.0
Year	120.7	124.1	122.5	116.9	143.8	110.7
1924 - January	121.1	127.5	122.9	117.4	140.8	109.3
February	120.9	127.0	122.0	117.4	140.8	109.3
March	120.2	124.9	121.8	117.4	140.8	109.3
April	118.6	119.8	120.7	117.4	140.8	109.3
May	117.5	116.7	118.5	117.4	140.8	109.3
June	117.2	115.9	117.7	117.4	140.8	109.3
July	117.1	117.1	117.6	117.4	140.8	107.9
August	118.0	120.2	117.5	117.4	140.8	107.9
September ...	118.5	121.5	117.8	117.4	140.8	107.9
October	118.5	121.6	117.5	117.4	140.8	107.9
November	119.0	123.3	116.8	117.4	140.8	107.9
December	119.4	124.6	116.6	117.4	140.8	107.9
Year	118.8	121.6	118.9	117.4	140.8	108.6
1925 - January	119.9	127.0	117.1	117.4	140.8	107.2
February	120.5	128.8	117.0	117.4	140.8	107.2
March	119.6	126.2	116.8	117.4	140.8	107.2
April	119.0	124.4	116.1	117.4	140.8	107.2
May	118.7	123.4	115.1	117.4	140.8	107.2
June	118.5	122.8	115.1	117.4	140.8	107.2
July	118.1	123.3	115.3	117.4	139.9	105.8
August	119.4	127.5	115.7	117.4	139.9	105.8
September ...	119.2	127.0	116.0	117.4	139.9	105.8
October	120.0	128.2	116.4	117.4	139.9	105.8
November	121.7	132.1	119.2	117.4	139.9	105.8
December	123.1	135.9	121.2	117.4	139.9	105.8
Year	119.8	127.2	116.8	117.4	140.3	106.5

Table 4. Cost-of-Living Index Numbers, Canada, 1913-1942 - Cont'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Sundries Index
1926 - January	123.0	136.8	119.7	115.9	139.9	106.1
February	122.8	135.9	118.6	115.9	139.9	106.1
March	122.8	136.0	119.2	115.9	139.9	106.1
April	122.3	134.3	117.8	115.9	139.9	106.1
May	122.0	134.0	115.9	115.9	139.9	106.1
June	121.7	132.8	115.7	115.9	139.9	106.1
July	121.9	133.5	115.3	115.9	139.9	106.1
August	121.7	133.9	115.3	115.9	138.4	106.1
September ...	120.8	130.3	115.9	115.9	138.4	106.1
October	120.7	130.1	115.9	115.9	138.4	106.1
November	121.1	131.2	116.4	115.9	138.4	106.1
December	121.6	132.9	116.4	115.9	138.4	106.1
Year	121.8	133.3	116.8	115.9	139.1	106.1
1927 - January	121.3	134.8	116.1	114.5	136.2	105.6
February	120.8	133.3	116.1	114.5	136.2	105.6
March	120.3	131.5	115.9	114.5	136.2	105.5
April	119.2	128.7	115.0	114.5	135.0	105.4
May	119.1	128.8	113.6	114.5	135.0	105.1
June	119.4	130.0	112.9	114.5	135.0	105.0
July	119.7	130.7	113.2	114.5	135.6	105.0
August	119.5	130.3	113.1	114.5	135.6	104.9
September ...	119.2	129.1	113.4	114.5	135.6	104.9
October	119.6	130.3	114.3	114.5	135.6	104.9
November	119.9	131.3	114.4	114.5	135.5	104.8
December	120.3	133.2	114.4	114.5	135.5	104.8
Year	119.9	130.8	114.4	114.5	135.6	105.1
1928 - January	121.1	133.9	113.8	117.3	135.2	104.8
February	120.6	132.1	113.9	117.3	135.2	104.8
March	120.1	130.3	113.9	117.3	135.2	104.7
April	120.0	130.0	113.7	117.3	135.2	104.7
May	119.5	128.5	113.0	117.3	135.3	104.7
June	119.2	127.9	112.1	117.3	135.3	104.7
July	119.5	128.8	112.1	117.3	135.3	104.6
August	120.5	131.9	112.5	117.3	135.7	104.6
September ...	120.6	132.3	112.6	117.3	135.7	104.8
October	121.4	134.8	113.4	117.3	135.7	104.8
November	121.2	134.3	113.4	117.3	135.7	104.8
December	121.2	134.0	113.6	117.3	135.7	104.8
Year	120.5	131.5	113.2	117.3	135.5	104.8

Table 4. Cost-of-Living Index Numbers, Canada, 1913-1942 - Cont'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Sundries Index
1929 - January	121.0	133.7	113.0	117.3	135.7	104.6
February	120.6	132.5	113.1	117.3	135.7	104.5
March	120.8	133.3	113.3	117.3	135.3	104.5
April	120.1	130.8	113.4	117.3	135.3	104.6
May	120.6	130.5	112.5	120.0	134.8	104.8
June	120.6	130.4	111.8	120.0	134.8	105.1
July	120.8	131.3	111.7	120.0	134.8	105.2
August	123.0	138.9	111.9	120.0	134.5	105.4
September ...	122.8	138.1	112.0	120.0	134.5	105.5
October	123.1	137.6	112.3	122.2	134.5	105.5
November	123.5	139.1	113.0	122.2	134.2	105.5
December	123.8	139.7	113.2	122.2	134.2	105.5
Year	121.7	134.7	112.6	119.7	134.3	105.0
1930 - January	124.4	142.0	112.9	122.2	134.2	105.7
February	124.1	141.3	112.9	122.2	133.4	105.6
March	123.6	139.7	113.0	122.2	133.4	105.6
April	122.3	134.8	112.7	122.2	133.4	105.7
May	122.0	134.3	111.1	123.4	132.1	105.6
June	122.0	133.9	110.9	123.4	132.1	105.6
July	121.2	131.3	110.7	123.4	132.1	105.6
August	120.5	128.4	111.1	123.4	132.1	105.6
September ...	118.4	124.1	111.1	123.4	127.4	105.3
October	118.1	123.7	111.8	122.2	127.4	105.3
November	118.0	123.5	111.8	122.2	127.4	105.1
December	116.8	122.0	111.8	122.2	122.8	104.9
Year	120.8	131.5	111.8	122.7	130.6	105.4
1931 - January	115.6	118.8	111.1	122.2	122.8	103.9
February	114.4	114.1	111.2	122.2	122.8	103.9
March	112.3	110.4	111.2	122.2	117.8	103.3
April	111.4	107.3	111.1	122.2	117.8	103.3
May	109.9	103.6	109.3	119.7	117.8	103.3
June	108.0	100.0	109.0	119.7	112.8	103.2
July	107.9	99.6	108.8	119.7	112.8	103.2
August	108.3	100.7	110.0	119.7	112.8	103.2
September ...	106.8	98.0	109.2	119.7	109.3	103.2
October	105.1	95.2	109.7	115.1	109.3	103.2
November	105.2	95.3	109.9	115.1	109.3	103.2
December	104.6	94.9	109.7	115.1	106.3	103.1
Year	109.1	103.1	110.0	119.4	114.3	103.3

Table 4. Cost of Living Index Numbers, Canada, 1913-1942 - Cont'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Sundries Index
1932 - January	103.3	92.8	109.5	115.1	106.3	100.6
February	102.1	88.7	109.3	115.1	106.3	100.6
March	101.3	88.1	109.1	115.1	103.2	100.4
April	101.1	87.2	108.2	115.1	103.2	100.5
May	98.8	83.9	106.2	108.8	103.2	100.7
June	97.9	82.8	106.0	108.8	99.6	100.5
July	97.6	81.9	105.7	108.8	99.6	100.3
August	98.4	84.7	107.0	108.8	99.6	100.3
September ...	97.8	84.0	106.9	108.8	97.1	100.2
October	97.0	84.8	105.7	104.3	97.1	100.2
November	97.1	85.2	105.4	104.3	97.1	100.2
December	96.7	85.3	104.1	104.3	95.1	100.0
Year	99.0	85.7	106.8	109.7	100.6	100.4
1933 - January	95.9	83.7	104.2	104.3	95.1	98.6
February	94.9	80.8	104.1	104.3	95.1	98.4
March	94.3	80.5	103.6	104.3	92.1	98.1
April	94.6	81.7	103.6	104.3	92.1	98.1
May	93.3	82.5	103.3	97.3	92.1	98.1
June	93.3	82.9	102.5	97.3	91.5	98.0
July	93.5	84.3	100.5	97.3	91.5	98.0
August	95.2	90.4	100.9	97.3	91.5	98.0
September ...	95.1	87.9	100.8	97.3	94.4	98.4
October	94.2	87.2	101.8	93.2	94.4	98.4
November	94.3	87.7	101.9	93.2	94.4	98.4
December	94.8	88.8	102.0	93.2	95.3	98.5
Year	94.4	84.9	102.5	98.6	93.3	98.2
1934 - January	94.9	90.3	102.0	93.2	95.3	97.7
February	95.5	92.6	101.8	93.2	95.3	97.7
March	97.1	97.3	102.0	93.2	96.9	97.8
April	96.3	94.9	102.3	93.2	96.9	97.8
May	95.2	91.7	102.3	92.8	96.9	97.7
June	94.9	90.3	101.5	92.8	97.3	97.8
July	95.1	91.5	101.2	92.8	97.3	97.8
August	95.5	92.7	101.8	92.8	97.3	97.7
September ...	95.5	92.0	102.3	92.8	98.1	97.9
October	95.9	92.9	102.8	93.7	98.1	97.8
November	95.9	93.6	102.9	93.7	98.1	97.8
December	95.7	92.8	102.6	93.7	97.9	97.8
Year	95.6	92.7	102.1	93.1	97.1	97.8

Table 4. Cost-of-Living Index Numbers, Canada, 1913-1942 - Cont'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Home Furnishings and Services Index	Miscell- aneous Index
1935 - January	95.6	92.2	102.9	93.7	97.9	95.0	98.9
February	96.1	93.7	102.9	93.7	97.9	95.1	98.9
March	96.0	93.5	102.8	93.7	97.9	95.0	98.9
April	95.8	92.7	102.9	93.7	97.9	95.0	98.9
May	95.5	92.5	99.3	93.7	97.9	95.1	98.9
June	95.4	92.5	98.8	93.7	97.8	95.1	98.9
July	95.7	93.5	98.8	93.7	97.8	95.0	98.7
August	96.1	94.5	99.6	93.7	97.8	95.0	98.7
September ...	96.5	95.6	99.6	93.7	97.4	96.1	98.7
October	97.2	97.2	100.7	95.0	97.4	96.1	98.5
November	97.6	98.2	101.4	95.0	97.4	96.1	98.5
December	97.8	98.7	101.5	95.0	97.3	96.6	98.5
Year	96.2	94.6	100.9	94.0	97.6	95.4	98.7
1936 - January	97.8	98.5	102.0	95.0	97.3	96.5	98.8
February	97.6	97.6	102.2	95.0	97.3	96.4	99.1
March	97.7	97.1	102.6	95.0	98.5	97.1	99.1
April	96.9	94.6	102.3	95.0	98.5	97.1	99.2
May	97.2	94.7	102.3	96.3	98.5	97.0	99.2
June	97.2	94.8	100.7	96.3	99.5	97.2	99.2
July	98.1	97.7	100.7	96.3	99.5	97.2	99.1
August	98.5	99.0	100.6	96.3	99.5	97.1	99.1
September ...	98.7	99.6	101.0	96.3	99.5	97.3	99.1
October	98.9	99.5	101.2	97.2	99.5	97.3	99.0
November	99.1	100.1	101.4	97.2	99.5	97.3	99.0
December	99.2	100.0	101.4	97.2	100.0	98.5	99.1
Year	98.1	97.8	101.5	96.1	99.3	97.2	99.1
1937 - January	99.4	100.3	99.9	97.2	100.0	98.9	99.6
February	99.4	100.4	100.0	97.2	100.0	98.8	99.8
March	99.5	99.9	99.9	97.2	100.4	100.4	99.8
April	99.7	100.6	99.9	97.2	100.4	100.5	99.9
May	100.5	101.4	99.4	100.3	100.4	100.5	99.9
June	100.8	101.8	97.3	100.3	101.6	102.1	100.0
July	101.5	103.7	97.2	100.3	101.6	102.1	100.3
August	102.1	105.6	97.9	100.3	101.6	102.1	100.3
September ...	102.3	105.7	97.9	100.3	101.8	103.1	100.3
October	102.9	106.5	98.7	102.1	101.8	103.1	100.3
November	102.9	106.4	99.0	102.1	101.8	103.0	100.3
December	102.6	105.6	99.6	102.1	101.8	103.0	100.2
Year	101.2	103.2	98.9	99.7	101.4	101.5	100.1
1938 - January	102.4	104.4	98.1	102.1	101.8	103.1	101.2
February	102.3	103.9	98.1	102.1	101.8	103.1	101.2
March	102.8	105.7	98.4	102.1	101.3	102.9	101.2
April	102.8	105.9	98.4	102.1	101.3	102.8	101.2
May	102.4	103.6	97.9	103.8	101.3	102.8	101.2
June	102.4	104.1	96.8	103.8	101.3	102.3	101.2
July	102.6	104.7	96.7	103.8	101.3	102.3	101.2
August	103.1	106.2	96.9	103.8	101.3	102.3	101.3
September ...	102.1	103.1	97.1	103.8	100.8	101.9	101.3
October	101.7	102.0	97.6	103.4	100.8	101.9	101.2
November	101.5	101.5	98.0	103.4	100.8	101.9	101.2
December	101.1	100.5	98.0	103.4	100.2	101.7	101.2
Year	102.2	103.8	97.7	103.1	100.9	102.4	101.2

Table 4. Cost-of-Living Index Numbers, Canada, 1913-1942 - Concl'd
(1935-1939=100)

	Total Index	Food Index	Fuel Index	Rent Index	Clothing Index	Home Furnishings and Services Index	Miscella- neous Index
1939 - January	101.1	99.9	101.0	103.4	100.2	101.7	101.1
February	100.7	98.7	101.0	103.4	100.2	101.7	101.1
March	100.6	98.5	100.4	103.4	99.9	101.2	101.1
April	100.6	98.3	100.4	103.4	99.9	101.1	101.4
May	100.6	98.2	100.2	103.8	99.9	101.1	101.4
June	100.5	98.1	99.8	103.8	100.1	101.0	101.3
July	100.8	99.0	99.3	103.8	100.1	100.9	101.3
August	100.8	99.3	99.0	103.8	100.1	100.9	101.3
September ...	100.8	99.4	98.9	103.8	99.6	100.8	101.3
October	103.5	106.3	104.4	104.4	99.6	101.0	101.7
November	103.8	107.1	105.3	104.4	99.6	101.0	101.9
December	103.8	104.7	105.4	104.4	103.3	104.1	102.0
Year	101.5	100.6	101.2	103.8	100.7	101.4	101.4
1940 - January	103.8	104.5	105.5	104.4	103.3	104.3	101.8
February	103.8	104.5	105.8	104.4	103.3	104.3	101.9
March	104.6	104.8	105.7	104.4	107.8	105.9	101.9
April	104.6	104.8	105.9	104.4	107.8	106.1	101.8
May	104.9	104.4	106.1	106.9	107.8	106.2	101.8
June	104.9	103.8	106.0	106.9	109.1	106.5	101.8
July	105.6	105.3	107.9	106.9	109.1	106.9	102.2
August	105.9	105.4	108.4	106.9	109.1	106.9	103.0
September ...	106.6	105.4	108.5	106.9	113.1	109.4	102.8
October	107.0	106.1	108.0	107.7	113.5	109.7	102.8
November	107.8	108.7	108.5	107.7	113.5	110.0	102.8
December	108.0	109.1	108.5	107.7	113.5	110.7	102.8
Year	105.6	105.6	107.1	106.3	109.2	107.2	102.3
1941 - January	108.3	109.7	108.6	107.7	113.7	110.8	103.1
February	108.2	108.8	108.7	107.7	114.1	111.5	103.1
March	108.2	109.0	108.9	107.7	114.2	111.6	102.9
April	108.6	110.1	108.9	107.7	114.3	111.7	102.9
May	109.4	109.7	109.2	109.7	114.5	111.8	105.1
June	110.5	112.5	110.2	109.7	114.9	112.1	105.6
July	111.9	116.6	110.5	109.7	115.1	113.0	105.6
August	113.7	121.3	110.5	109.7	115.7	114.3	106.1
September ...	114.7	123.3	110.9	109.7	117.4	115.8	106.4
October	115.5	123.2	112.1	111.2	119.6	117.3	106.5
November	116.3	125.4	112.7	111.2	120.0	117.9	106.7
December	115.8	123.8	112.7	111.2	119.9	117.9	106.7
Year	111.7	116.1	110.3	109.4	116.1	113.8	105.1
1942 - January	115.4	122.3	112.9	111.2	119.9	118.0	106.8
February	115.7	123.1	112.9	111.2	119.8	118.0	107.1
March	115.9	123.7	112.9	111.2	119.8	118.0	107.1
April	115.9	123.7	112.9	111.2	119.8	118.1	107.1
May	116.1	124.3	112.9	111.3	119.9	118.0	107.1
June	116.7	126.2	112.6	111.3	119.9	117.9	107.1
July	117.9	130.3	112.5	111.3	120.0	117.9	107.1
August	117.7	129.6	112.5	111.3	120.1	117.8	107.1
September ...	117.4	128.5	112.5	111.3	120.1	117.8	107.1
October	117.8	129.8	112.8	111.3	120.1	117.8	107.1
November	118.6	132.4	112.8	111.3	120.1	117.8	107.1
December	118.8	132.8	112.8	111.3	120.2	117.8	107.2
Year	117.0	127.2	112.8	111.3	120.0	117.9	107.1

Table 5. Dominion and City Cost-of-Living Index Numbers, August, 1939-December, 1942
(August 1939=100)

	Dominion	Hali-fax	*Saint John	*Mont-real	Tor-onto	Winni-peg	Saska-toon	Edmon-ton	Van-couver
1939 - August	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
September ...	100.0	99.4	99.9	99.7	99.7	100.1	99.9	99.9	99.8
October	102.7	102.9	102.5	104.1	102.5	102.8	103.6	102.8	102.1
November	103.0	103.4	102.7	104.2	102.6	102.7	103.9	103.7	102.3
December	103.0	103.3	103.4	104.7	103.2	102.9	104.8	103.8	102.6
1940 - January	103.0	103.9	103.3	104.4	102.4	102.7	104.5	103.1	102.1
February	103.0	103.4	103.0	104.4	102.5	102.6	104.6	103.1	102.9
March	103.8	104.7	103.9	105.5	102.8	103.2	105.1	103.4	103.1
April	103.8	104.9	104.2	105.4	103.2	103.3	105.1	103.7	103.4
May	104.1	106.1	104.4	105.9	103.3	103.3	105.3	104.0	103.7
June	104.1	105.5	104.1	106.2	103.4	103.2	104.7	103.8	103.0
July	104.8	106.8	104.9	107.3	104.0	104.5	105.6	103.8	103.3
August	105.1	107.5	105.4	107.0	104.2	104.6	105.3	103.7	103.7
September ...	105.6	107.6	105.2	108.1	105.0	104.3	105.8	104.0	103.8
October	106.2	107.0	107.0	108.3	105.1	105.2	106.9	104.2	104.0
November	106.9	107.5	108.0	109.3	105.9	106.0	107.9	105.1	105.0
December	107.1	108.0	108.7	109.4	105.8	106.3	108.6	105.6	105.3
1941 - January	107.4	108.4	108.4	110.0	105.9	106.6	109.3	105.6	105.4
February	107.3	107.9	108.3	109.8	106.0	106.0	108.7	105.5	106.1
March	107.3	107.4	107.9	109.8	106.2	105.9	108.8	105.3	106.2
April	107.7	107.8	108.2	109.9	106.3	106.2	109.0	105.5	106.5
May	108.5	108.1	108.6	110.0	107.6	106.8	109.9	106.3	106.9
June	109.6	108.8	108.8	111.9	108.7	107.8	110.3	107.0	107.5
July	111.0	110.4	110.3	113.5	110.2	108.9	111.1	108.1	109.3
August	112.8	111.6	112.2	115.1	111.7	110.3	113.1	109.8	110.4
September ...	113.8	112.6	112.6	115.8	113.0	111.7	115.1	111.4	112.0
October	114.6	112.7	113.2	116.3	114.0	112.2	115.7	111.4	112.3
November	115.4	113.7	114.6	117.2	115.0	113.1	116.4	111.6	112.9
December	114.9	113.1	114.5	116.8	114.5	113.1	116.4	111.4	112.4
1942 - January	114.5	113.0	114.5	116.6	114.1	112.2	115.7	110.8	111.9
February	114.8	113.5	115.2	117.1	114.5	112.4	115.7	110.9	112.1
March	115.0	113.5	115.3	117.3	114.7	112.6	116.0	111.1	112.2
April	115.0	113.5	115.1	117.4	114.7	112.6	116.1	111.1	112.2
May	115.2	113.5	115.1	117.7	114.9	112.9	115.7	111.3	112.6
June	115.8	114.0	115.4	118.2	115.5	113.1	116.2	112.0	113.1
July	117.0	114.8	116.7	119.3	116.8	114.6	117.4	114.1	115.1
August	116.8	115.8	117.2	118.7	116.2	115.0	117.5	114.1	115.0
September ...	116.5	115.3	116.3	118.5	116.0	114.1	116.3	113.1	115.1
October	116.9	115.5	116.6	119.4	116.3	114.5	117.0	113.6	115.4
November	117.7	115.9	117.1	120.1	116.8	115.3	118.3	114.5	116.5
December	117.9	116.2	117.3	120.3	116.8	115.6	118.5	115.0	116.8

x Revised February, 1941 to September, 1941.

* Revised June, 1940 to September, 1941.

Table 6. Cost of Living in Two Wars, Canada

	August 1914=100		August 1939=100
1914 - September	100.8	1939 - September	100.0
October	101.6	October	102.7
November	101.5	November	103.0
December	101.5	December	103.0
1915 - January	101.4	1940 - January	103.0
February	101.5	February	103.0
March	101.0	March	103.8
April	100.6	April	103.8
May	100.9	May	104.1
June	100.4	June	104.1
July	100.8	July	104.8
August	101.0	August	105.1
September	101.0	September	105.6
October	101.8	October	106.2
November	103.0	November	106.9
December	103.5	December	107.1
1916 - January	104.8	1941 - January	107.4
February	105.5	February	107.3
March	105.8	March	107.3
April	106.0	April	107.7
May	106.7	May	108.5
June	107.5	June	109.6
July	107.8	July	111.0
August	109.4	August	112.8
September	111.6	September	113.8
October	113.3	October	114.6
November	116.1	November	115.4
December	117.8	December	114.9
1917 - January	120.2	1942 - January	114.5
February	121.4	February	114.8
March	123.4	March	115.0
April	124.2	April	115.0
May	129.3	May	115.2
June	130.4	June	115.8
July	129.9	July	117.0
August	130.4	August	116.8
September	131.2	September	116.5
October	132.7	October	116.9
November	134.8	November	117.7
December	135.8	December	117.9
1918 - January	137.2	1943 - January	116.2
February	138.3	February	116.0
March	139.7		
April	140.3		
May	142.2		
June	144.1		
July	145.9		
August	149.5		
September	149.2		
October	151.0		
November	151.9		
December	153.0		

Published by Authority of the Hon. JAMES A. MacKINNON, M.P.
Minister of Trade and Commerce
DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS - CANADA
INTERNAL TRADE BRANCH

Dominion Statistician:	S. A. CUDMORE, M.A. (Oxon.) F.S.S., F.R.S.C.
Chief, Internal Trade Branch:	Herbert Marshall, B.C., F.S.S.
Prices Statistician:	H. F. Greenway, M. A.

Cost-of-Living Index

In response to numerous requests for more information about the construction of the Cost-of-Living Index, the Dominion Bureau of Statistics has prepared a series of short discussions of its more outstanding features. These appear in the present report under the following headings:

1. What the Cost-of-Living Index is--and is not.
2. Food Prices.
3. More About Food Prices.
4. A Final Word About Foods.
5. Keeping the Cost-of-Living Index Up to Date.
6. Prices for the Cost-of-Living Index.
7. Is the Cost-of-Living Budget Too High?

No. 1. What the cost-of-living index is--and is not

The cost-of-living index is a percentage figure which shows the rise and fall from month to month in the cost of a wage-earner family budget. Why a percentage figure instead of a dollar and cents total? Because people tend to consider dollar figures to represent either (1) a necessary minimum living allowance, or (2) an amount necessary to cover a budget based on estimates of scientific nutrition requirements and other living needs. The index budget is neither; it represents purchases actually reported by representative wage-earner families. The Bureau of Statistics does not say - "Here is the amount you must have to live"; it says, in effect - "Here is the percentage change in the cost of a representative average of actual wage-earner family budgets."

And right there arises a point which causes considerable misunderstanding. The Bureau's cost-of-living budget shows changes in the cost of the same standard or level of living from month to month and year to year. Many families now have more to spend than formerly because everybody is working. It is now possible for them to buy better things and in some cases more than before. People who are able to do this naturally will find their living costs rising by greater percentages than the cost-of-living index shows. The items in the index have been changed due to war conditions, but it still measures the rise in cost of a pre-war level of living. This sounds queer, but here is a simple example that will explain what it means. Before the war motor cars were used very largely for pleasure. That's not possible now so the index budget for motor car operation has been reduced, while the amount for other pleasures has been increased accordingly.

But what about this percentage increase in living costs that the index shows? So far the index has risen only 18 per cent since the war started, and that looks pretty small alongside of the rise for many staple necessities. Here is a way to test how much 18 per cent means to your family. First think back and make a rough estimate of your family's earnings in 1939. Now take paper and pencil and figure what 18 per cent of that amount would be. Its rather surprising when you look at it that way, isn't it?

NOV 4 1943

And now a final word about the seemingly mysterious 100.0 that the newspapers so often mention when reporting what the index has been doing. We have said that the index is a percentage figure, and all percentages are related to 100.0. For the index, 100.0 equals approximately \$1,450 which was the pre-war average cost of the representative wage-earner budgets mentioned at the start. Nothing very complicated about that, is there?

No. 2 - Food Prices

When living costs are mentioned, Mrs. John Public immediately thinks of food bills and her blood pressure starts to rise. Official figures support Mrs. Public's opinion that foods have risen in price; they show a wartime increase of nearly 33 per cent to July, 1943. Mrs. Public compares this figure with the cost-of-living index which is up not quite 18 per cent and her blood pressure receives another jolt.

These two figures look contradictory but they are part of the same picture. Because when the Bureau of Statistics calculates its cost-of-living index, it considers not only foods, but fuel and lighting, rent, clothing, home furnishings, and a miscellaneous group of items including health costs, items of personal care, recreation, transportation and life insurance. Every day of the year, money is being spent on these things and the cost-of-living picture would be incomplete if they were omitted from it. When the Bureau made a survey of actual family living expenditures, it found that all of them formed an important part of the nation's living costs. So prices are collected for representative items in all the budget groups mentioned.

As we have already said, food prices to July, 1943 have shown a wartime rise of about 33 per cent. But this is the greatest rise which any of the main budget groups have shown. Due to the freezing of rents, the general advance in rents has been just over 7 per cent; the miscellaneous group is also up about 7 per cent. Other groups have gone higher, fuel and lighting over 14 per cent home furnishings nearly 17 per cent, and clothing over 20 per cent. When you take account of the amount spent on each of these groups, the combined rise in all living costs amounts to just under 18 per cent. If rents and miscellaneous items had risen as much as foods, the total increase would be 28 per cent instead of 18. That shows how important an influence these groups have been in holding back the general increase in living costs. And, mind you, the importance given to them is not the Bureau's own personal idea of how important they are. It is based upon actual expenditure records collected by the Bureau from wage-earner families in 12 cities ranging across the Dominion from Halifax to Vancouver. There were 1,439 of these families, and of every dollar they spent, 31 cents went for foods, 13 cents for shelter, 6 cents for fuel and light, 12 cents for clothing, 9 cents for home furnishings and services, and 23 cents on miscellaneous items.

No. 3 - More About Food Prices

"So food prices have gone up only 33 per cent, have they?" says Mrs. Public with a glint in her eye. "I'm paying from 50 to 80 per cent higher for beef, 73 per cent more for lard; cheese is up 69 per cent, corn syrup 52 per cent, and oranges 48 per cent -- where do you get this 33 per cent stuff?"

Well Mrs. Public, all of these increases are included in the foot section of the cost-of-living index. But it includes a lot of other prices too. Bread, for example, is still at pre-war prices in most places; milk is below pre-war levels almost every place. And if you are like many homemakers in Canadian cities you will,

find that these two foods alone make up 20 per cent of your food budget.

Remember this too, a 73 per cent increase in lard prices, although it sounds big, means much less to you than a 10 per cent increase in bread. Why? Because you buy much more bread than lard. Here's how it works in dollars and cents. Let us suppose you are like the Bureau's survey families represented in the cost-of-living budget. They averaged a fifth of a pound of lard each week and 8 loaves of bread, the 24-ounce loaf. Alright now, lard goes up 73 per cent, say from 10 cents to 17.3 cents a pound; if you use a fifth of a pound a week, that adds less than 2 cents to your weekly food bill. Now suppose a 24-ounce loaf of bread goes up 10 per cent, from 10 cents to 11 cents per loaf; then your 8 loaves add 8 cents to the weekly food bill.

It's the total family food bill that food section of the cost-of-living index is based on. So if a 73 per cent rise in lard means less than 2 cents added to this bill, and a 10 per cent rise in bread adds 8 cents, then the 10 per cent rise in bread would cost a lot more than a 73 per cent rise for lard.

The Bureau of Statistics food index shows a rise of 33 per cent in the average families' food bill. Naturally, this figure would be higher if all items in the index were equally important; if, for example, bread and milk were no more important than lard and corn syrup.

No. 4 - A Final Word About Foods in the Cost-of-Living Index

There were two common notions about the list of foods in the cost-of-living index which we should like to correct. First, it is said that because all foods are not in this list, the index must be too low. And second, it is said that because certain foods are omitted from the list, the Bureau of Statistics, in effect, is telling people these foods are unnecessary and not a proper part of the family diet. Both of these ideas are incorrect.

To find out whether the first idea was right or wrong, the Bureau of Statistics made a special food index including only 15 items, as compared with the 45 items in the regular food index. Now, if the level of a food index depended upon the number of items in it, this test index should be much lower than the regular one. But it wasn't. The test index showed a wartime rise within 0.8 points of the regular index. Not a very large difference is it, considering one list of foods was three times as large as the other?

The point is that an accurate index must be based upon a representative list of items, but not necessarily upon a large list. The rise in prices of items in the list must be representative of the rise for food prices in general.

This brings up the second point. Why not put in all food prices, so there would be no chance that the list wasn't representative? There are two reasons this isn't done. First, there are scores of small items such as seasoning and special delicacies which families buy very seldom, if ever. The importance of such things in a food budget is almost infinitesimal, but each one would be as much work to merchants reporting prices as bread or sugar—actually more work because the merchant knows offhand his prices for staple foods and doesn't have to check them from the books. The Bureau of Statistics leaves these items out of its list to save needless work and waste of time, knowing that the accuracy of the index is not lessened by doing this. There is no suggestion, however, that these items shouldn't be bought if people like them.

There are other foods omitted, because, strangely enough, the index might become less accurate if they were included. This is how it can happen. Many foods have wide seasonal price changes, with consumption tending to be greatest when prices are low, and lowest when prices are high. Shifts in consumption from season to season and year to year, as crops vary, are so great that it is extremely difficult to assign them a correct degree of importance in the food budget. Many of the fresh vegetables in particular are not always sold upon a weight basis, so that price changes may actually reflect quantity differences as well. To include these items might well result in the index becoming less rather than more accurate.

No. 5 - Keeping the Cost of Living Index Up to Date

Shopping these days isn't so simple as it used to be. Wartime scarcities have made it necessary to get some of our calories and vitamins from different foods than those we used to buy. They have brought changes in the clothes we wear and the gadgets we use around the home. What has this to do with the cost of living index? Quite a bit, because the index budget has to be adjusted just as buying habits have to be changes.

We have said that the index continues to measure changes in the cost of a pre-war wage earner's level of living. But this doesn't mean that the content of the index budget is now the same as in 1939. Auto tires, silk stockings, bananas, canned beans, and coke are some of the things which have been removed because most people can't buy them now. Tea, coffee, sugar and gasoline form part of another group for which weights have been changed because of rationing.

The cost of living index takes account of these changes, but for every item which is removed or the quantity reduced, amounts of other things, equal in cost, are added. Silk stockings have been replaced by rayon stockings, the removal of coke has been balanced by more coal, more dry beans take the place of canned beans, and so it goes.

We clear on this point, no change in the index budget reduces the cost of the budget when the change is made.

A further change is to be made in the index budget this month. Fresh fish will be added to supplement finnan haddie and to replace canned salmon, and the budget quantity of dry beans will be increased. Cabbage and carrots also will be added because canned vegetables have become less plentiful. Next month when turnips are in general supply they too will be included in the index food budget.

No. 6 - Prices for the Cost of Living Index

Every month about 2,000 merchants in all parts of Canada take time out to do a task which brings them no profit and very little thanks. Since the price "ceiling" was established, some of them have suggested it is a useless task. But to other millions of Canadians it is very important, for these merchants are reporting to the Bureau of Statistics the prices used in calculating the cost-of-living index. And the index determines changes in the cost-of-living bonus.

All kinds of prices are needed for calculating the index--prices for foods, clothing, fuel, home furnishings, and health needs, as well as rents, carfare, theatre admissions and many other things totalling in all about 150. Each month the merchants send in about 70,000 individual price quotations covering most of these items. Some of them like carfare, and rent change so seldom, it isn't necessary to ask for reports every month.

Since the cost-of-living bonus was established people naturally have become very interested in these price reports. "Are they accurate?" the Bureau of Statistics is asked.

The Bureau believes they are, and here's why. The prices information given by individual firms is confidential and not used for the enforcement of price regulations. Merchants know this, and in fact, quite often they have asked advice concerning price problems. People who were giving wrong information would hardly turn around and ask us if it was alright to charge such and such a price for a new shipment of goods. The Bureau constantly checks prices which appear unusual, but if they are confirmed, that ends the matter. The prices then go into the index calculations.

The Bureau recently has appointed field officers in some of the larger cities to have a more complete check upon prices. With very few exceptions, local merchants have given these officers full co-operation. This has confirmed our belief that merchants like most other people are honest citizens doing the best job they can under difficult wartime conditions.

No. 7 - Is the Cost-of-Living Budget Too High?

The pre-war cost of the cost-of-living index budget was \$1,453. Since the war started the index shows that the cost of this budget has risen 18.3 per cent in August 1943. And that's where a rather involved argument starts--an argument that runs something like this.

"Before the war the average wage-earner family didn't have \$1,453 a year to spend. The less you have to spend the higher the proportion you have to use buying foods which are an absolute necessity. And the wartime rise in foods has been much greater than for other living needs, so if you started with a pre-war budget which was too high, you must have understated the percentage rise in total living costs added by foods."

This is confusing, but if you figure it out you will see it's true. Everything depends on whether \$1,453 really was a fair average for wage-earner family income before the war.

The Bureau of Statistics has good reason to believe that \$1,453 was a fair pre-war figure. It was based upon 1938 reports of annual earnings from more than 6,000 typical wage-earner families in 12 cities from Halifax to Vancouver. The next information we have on family earnings is from the 1941 census. By that time more people were working and you might expect family earnings to be higher. And that's just what the record showed. In only 3 of the 27 cities with more than 30,000 population did earnings of wage-earner families fall below \$1,453, and average family earnings for these 27 cities combined, amounted to more than \$1,650.

Some people apparently confuse individual earnings with family earnings. Naturally the earnings of all individual workers did not average \$1,650. Many families have more than Dad contributing to the family exchequer, so family earnings will average higher than individual earnings. The difference between the two is made still greater by the fact that Dad usually earns more than other members of his family. Suppose Dad earns \$1,400 and son Bill, who is just starting, gets \$800, family earnings then total \$2,200 but the individual earnings of the two average only \$1,100. We still think \$1,453 was a pretty fair average for pre-war wage-earner family living expenditures.

